

**STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE DEPARTMENT OF COMMERCE**

In the Matter of the Insurance
Producer's License of Michael Ray
Ridge
Commerce File Nos. IN2409054/MBF
and
IN2502038/MBF

**FINDINGS OF FACT,
CONCLUSIONS AND
RECOMMENDATION**

Administrative Law Judge James E. LaFave conducted a hearing in this contested case proceeding beginning at 9:30 a.m. on Friday March 31, 2006, at the Office of Administrative Hearings, 100 Washington Square, Suite 1700, Minneapolis, Minnesota.

Michael J. Tostengard, Assistant Attorney General, Suite 1200, 445 Minnesota Street, St. Paul, MN 55101-2130, represented the Department at the hearing. Michael Ray Ridge did not appear at the hearing, nor did anyone appear on his behalf. The record closed on March 31, 2006 when the hearing ended.

NOTICE

This Report is a recommendation, not a final decision. The Commissioner of the Minnesota Department of Commerce will make the final decision after reviewing the hearing record. The Commissioner may adopt, reject or modify these Findings of Fact, Conclusions, and Recommendation. Under Minnesota Law,^{[\[1\]](#)} the Commissioner may not make his final decision until after the parties have had access to this Report for at least ten days. During that time, the Commissioner must give each party adversely affected by this Report an opportunity to file objections to the report and to present argument. Parties should contact the office of Glenn Wilson, Commissioner, Minnesota Department of Commerce, 85 Seventh Place East, Suite 500, St. Paul, MN 55101, (651) 296-6025 to find out how to file objections or present argument.

STATEMENT OF THE ISSUE

Whether Michael Ray Ridge's insurance producer's license should be suspended or revoked and that he be subject to censure or a civil penalty pursuant to Minn. Stat. § 45.027, subds. 6-7?

Based upon the record in this matter, the Administrative Law Judge makes the following:

FINDINGS OF FACT

1. By letter dated and served by U.S. Mail on March 3, 2006, the Department's attorney began this contested case proceeding by serving Michael Ray Ridge with the Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges, directed to the address that Michael Ray Ridge had provided to the Department.

2. The Notice of Hearing scheduled a hearing in this contested case proceeding beginning at 9:30 a.m. on Friday March 31, 2006 at the Office of Administrative Hearings, in Minneapolis.

3. The Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges, contained the following warning:

Respondent's failure to appear at the contested case hearing and/or prehearing conference may result in a finding that the Respondent is in default, that the Department's allegations contained in the Statement of Charges may be accepted as true, and its proposed action may be upheld.

4. Michael Ray Ridge did not appear at the March 31, 2006 hearing, nor did he make a prehearing request to the ALJ to be excused from appearing at that hearing or to have the hearing rescheduled for a later date.

5. Because Michael Ray Ridge failed to appear he is in default.

6. Pursuant to Minn. R. Part 1400.6000, the allegations contained in the Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges are taken as true and incorporated into these Findings of Fact.

7. The Administrative Law Judge adopts as Findings any Conclusions that are more appropriately described as Findings.

Based upon these Findings of Fact, the Administrative Law Judge makes the following:

CONCLUSIONS

1. Minnesota law^[2] gives the Administrative Law Judge and the Commissioner of The Minnesota Department of Commerce authority to conduct this proceeding, to consider the issues raised here, and to make findings, conclusions, and orders.

2. The Department has complied with all relevant procedural requirements.

3. Michael Ray Ridge was given proper and timely notice of the hearing that was scheduled for March 31, 2006.

4. Under the Office of Administrative Hearings' rules,^[3] Michael Ray Ridge is in default because he failed to appear at the scheduled hearing without being excused by the ALJ.

5. Under those rules, when a party defaults, an administrative law judge may take the facts alleged in the The Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges as true and no longer in dispute.

6. Based upon the facts alleged in the The Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges, which the Administrative Law Judge has taken as true, Michael Ray Ridge has demonstrated that he is untrustworthy or otherwise incompetent or unqualified to act as an insurance producer because of convictions, charges, and failure to provide the required application information in violation of Minn. Stat. §§ 45.027, subd. 7(4) and 60K.43, subds. 1(7) and (8).

7. Based upon the facts alleged in the The Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges, which the Administrative Law Judge has taken as true, Michael Ray Ridge has provided incorrect, misleading and incomplete information on his license application in violation of Minn. Stat. § 60K.43, subd. 1(1);

8. Based upon the facts alleged in the The Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges, which the Administrative Law Judge has taken as true, Michael Ray Ridge has engaged in fraudulent, coercive and dishonest acts, in violation of Minn. Stat. § 60K.43, subd. 1(8).

9. Based upon the facts alleged in the The Notice of and Order for Hearing, Order to Show Cause, Order for Summary Suspension and Statement of Charges, which the Administrative Law Judge has taken as true, Michael Ray

Ridge has failed to notify the Commissioner of a criminal charge against him within thirty days of the initial pretrial hearing date of the matter, in violation of Minn. Stat. § 60k.54, subd. 2.

10. The Administrative Law Judge adopts as Conclusions any Findings which are more appropriately described as Conclusions.

11. Disciplinary action against Michael Ray Ridge is in the public interest.

Based upon these Conclusions, the Administrative Law Judge makes the following:

RECOMMENDATION

IT IS HEREBY RECOMMENDED: that the Commissioner of the Minnesota Department of Commerce take adverse action against Michael Ray Ridge's license, censure Mr. Ridge, and/or impose a civil fine or penalty on Mr. Ridge.

Dated this 21st day of April, 2006.

s/James E. Lafave

JAMES E. LAFAVE
Administrative Law Judge

NOTICE

Under Minnesota law,^[4] the Commissioner must serve his final decision upon each party and the Administrative Law Judge by first-class mail.

^[1] Minn. Stat. section 14.61

^[2] Minnesota Statutes, sections 14.50, 45.027 and 60K.43

^[3] Minnesota Rules, part 1400.6000.

^[4] Minnesota Statutes, section 14.62, subdivision 1.